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DEMOCRATS CALL ON REPUBLICANS TO DEBATE SOCIAL SECURITY PRIVATIZATION

WASHINGTON, DC – Today Congressman Robert Matsui (D-CA), Ranking Member of the Ways and Means Social Security Subcommittee, led a group of Democratic Members and concerned senior citizens as they continued to call on Republican leaders to have an open, fair, and honest debate about their Social Security privatization plans before the November elections.

“Republicans claim that privatization is the only answer for Social Security. They claim they have credible privatization plans. They should come out and explain those plans to the American people before the election,” said Matsui. “The fact is that privatization does not work. It cuts benefits and requires massive transfers of general revenues that do not exit. Voters deserve to hear the details so that they can make an informed decision in November.”

Republicans have introduced various privatization bills, but refuse to mark them up in Committee or bring them for a vote. Actuarial analyses have demonstrated the serious flaws inherent in privatization. For example, Rep. Clay Shaw (R-FL) has a plan that requires a cash infusion of \$3.6 trillion or would need to borrow \$8 trillion to finance private accounts. Rep. Dick Armey’s (R-TX) plan requires \$20.4 trillion in general revenues, and an additional \$21.3 trillion in borrowing. Neither Shaw nor Armey has explained where they would find the funds to pay for their plans.

“Republicans are pushing Social Security privatization very aggressively. But they refuse to explain, debate, or vote on their plans,” said Matsui. “Voters should not be kept in the dark by Republicans who have a secret plan to privatize Social Security, which they will only reveal after the elections. The American public deserves an honest debate, and we are not going to stop pushing until they get one.”

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